

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN EXAMINATION OF THE APPLICATION OF)	
THE FUEL ADJUSTMENT CLAUSE OF DUKE)	CASE NO.
ENERGY KENTUCKY, INC. FROM NOVEMBER)	2012-00322
1, 2011 THROUGH APRIL 30, 2012)	

ORDER

Pursuant to 807 KAR 5:056, the Commission established this case on August 22, 2012 to review and evaluate the operation of the Fuel Adjustment Clause ("FAC") of Duke Energy Kentucky, Inc. ("Duke Kentucky") for the six-month period that ended on April 30, 2012. As part of this review, Duke Kentucky submitted certain information, pursuant to Commission Order, concerning its compliance with 807 KAR 5:056. The Commission held a public hearing in this matter on October 11, 2012.

The Commission has previously established Duke Kentucky's base fuel cost as 25.747 mills per kWh.¹ A review of Duke Kentucky's monthly FAC filings shows that the actual fuel cost incurred for the six-month period under review ranged from a low of 26.50 mills in February 2012 to a high of 31.89 mills in March 2012, with a six-month average of 28.91 mills.

The Commission, having considered the evidence of record and being otherwise sufficiently advised, finds no evidence of improper calculation or application of Duke Kentucky's FAC charges or improper fuel procurement practices.

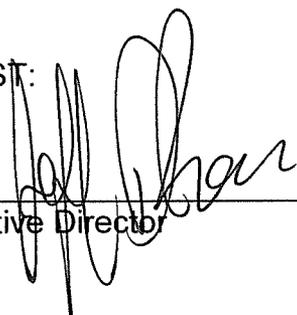
¹ Case No. 2010-00494, An Examination of the Application of the Fuel Adjustment Clause of Duke Energy Kentucky, Inc. from November 1, 2008 Through October 31, 2010 (Ky. PSC May 31, 2011).

IT IS THEREFORE ORDERED that the charges and credits billed by Duke Kentucky through its FAC for the period November 1, 2011 through April 30, 2012 are approved.

By the Commission

ENTERED ^{AT}
DEC 14 2012
KENTUCKY PUBLIC
SERVICE COMMISSION

ATTEST:



Executive Director

Case No. 2012-00322

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